

MINUTES OF THE  
JOINT HEALTH AND HUMAN SERVICES APPROPRIATIONS SUBCOMMITTEE  
Thursday, February 7, 2008  
Room W135, West Office Building, State Capitol Complex

Members Present: Sen. Allen Christensen, Committee Co-Chair  
Rep. Merlynn Newbold, Committee Co-Chair  
Sen. Chris Buttars  
Sen. Ross Romero  
Rep. David Litvack  
Rep. Roz McGee  
Rep. Paul Neuenschwander  
Rep. Steve Urquhart  
Rep. Paul Ray  
Rep. Richard Greenwood

Members Absent: Sen. Peter Knudson

Staff Present: Debbie Headden, Fiscal Analyst  
Russell Frandsen, Fiscal Analyst  
Joan Tiffany, Secretary

Public Speakers Present: David Sundwall, Executive Director, Utah Department of Health (DOH)  
George Delavan, Community and Family Health Services,( DOH)  
Richard Melton, Deputy Director, Utah Department of Health (DOH)  
Lisa Michele Church, Executive Director, Department of Human  
Services ( DHS)  
Michael Hales, Division Director, DHCF, (DOH)

A list of visitors and a copy of handouts are filed with the committee minutes.

The meeting was called to order by Co-Chair Newbold at 2:26 p.m.

**MOTION:** Rep. Ray moved to approve the minutes of January 24, 2008.

The motion was unanimous with Sen. Buttars and Rep. Steve Urquhart absent for the vote.

**Health and Human Services Joint Appropriations Subcommittee**  
**Prioritization of General/Education Fund Budget Changes**  
**2008 General Session**

**Ongoing Items Not Funded within Subcommittee Allocation**

Rep. Newbold distributed handouts and explained to the subcommittee that they were going to use these documents to prioritize the recommendations today.

Analyst Russell Frandsen, needed to make changes on the Health priority list. Item 19, Prader-Willi, was addressed with intent language and should be removed because it is covered within the existing budget. Also item 2 on the DOH priority list, CHIP Enrollment, the intent of the motion was to have item 2 be H.B. 326, which covers the first year with non-lapsing funds so there is no need to have an appropriation for FY 2009.

Rep. Newbold explained that, as requested, last year's prioritization list is also on your desk if you want to look at that.

**MOTION:** Rep. Newbold moved to place from the DHS priority list, number one "Mandated Services",

two "Child & Family Treatment Services" and three "Disabilities Waiting List" at the top of the combined priority list.

This motion passed unanimously.

**MOTION:** Sen. Christensen recommended number one "Baby Watch"; number two "CHIP Enrollment"; number three "Medicaid Non-Core Increase" and number four "Medicaid Core Increase" be placed as items four, five, six and seven on the combined priority list from the DOH priority list.

**SUBSTITUTE MOTION:** Rep. Litvack moved to leave number two "CHIP Enrollment" off the list because there are no monies appropriated which moves "Medicaid Non-Core Increase" and "Medicaid Core Increase" up one on the priority list.

Rep. Neuenschwander asked if it should be noted that "CHIP" would be an ongoing recommendation. Analyst Frandsen addressed the question.

This substitute motion passed unanimously.

**MOTION:** Rep. Urquhart moved that item seven be "West Valley Family Support Center" on the DHS list and item eight be "The Local Health Departments" from the DOH's list.

**SUBSTITUTE MOTION:** Rep. Newbold made a substitute motion that "HB45-Supported Employment" as number seven; "Additional Caseworkers" as number eight; then "West Valley Family Support Centers" as number nine and "Local Health Departments" as number ten.

The substitute motion passed unanimously.

**MOTION:** Rep. Litvack moved that item eleven be "Adult Dental" from the Department of Health.

**SUBSTITUTE MOTION:** Sen. Christensen made a substitute motion for item eleven as the "Autism Registry"; item twelve "Increase Physicians Rates"; and item thirteen "Adult Dental".

The substitute motion passed unanimously.

**MOTION:** Rep. Neuenschwander moved that "Drug Courts" be number fourteen on the combined priority list.

**SUBSTITUTE MOTION:** Sen. Buttars moved that "Drug Courts" be number fourteen; "Meals on Wheels" be item fifteen and "Domestic Violence Shelters" be item sixteen on the combined priority list.

This substitute motion passed unanimously.

**MOTION:** Rep. Ray moved that "Gold Medal Schools" be item 17 and reduce the amount to \$400,000, because it is a preventative program.

Rep. Urquhart agreed that Gold Medal Schools was a great program and suggested that it be left at \$800,000 and recommended that it come out of the Uniform School Fund. Rep. Newbold suggested leaving it at \$400,000 and have a match from the Education Fund.

**SUBSTITUTE MOTION:** Sen. Christensen moved that item seventeen be "H.B.133-Health Care Reform"; item eighteen be "UT-NEDSS-Public Health Surveillance"; item nineteen be "Medical Examiner Caseload",

and item twenty be "Medical Examiner-Equipment".

Rep. Ray wanted to revisit the idea of having the "Gold Medal Schools" come from the Uniform School Fund and how the committee could do that. Rep. Urquhart suggested that the subcommittee request to Executive Appropriations that half come from Uniform School Fund. Rep. Newbold said that it is in the subcommittee's budget and they need to deal with it. Rep. Neuenschwander addressed "HB133-Health Care Reform" and the need for that program to come from this budget. Rep. Newbold stated that it needs to be on our list and it is a priority and Reps. Urquhart and Litvack agreed that this must stay on the list. Rep. Litvack asked about Uniform General Funds and "Gold Medal Schools" and Analyst Headden stated that this proposal will be researched.

This substitute motion passed unanimously.

**MOTION:** Sen. Buttars moved that "Gold Medal Schools" be number twenty-one on the priority list with the request at \$400,000.

**SUBSTITUTE MOTION:** Rep. Litvack moved that number twenty-one be "Aging Alternative Program"; twenty-two to be "Youth Substance Abuse Treatment" and "Gold Medal School" at \$400,000 as number twenty-three.

There was a discussion about the financing of "Gold Medal Schools" and the placement on the list. Analyst Headden stated that Uniform School funds could not be used.

The substitute motion passed with Reps. Litvack, McGee, Neuenschwander, Urquhart, Sens. Christensen, Buttars and Romero voting aye. Reps. Newbold, Ray and Greenwood vote nay.

**MOTION:** Sen. Romero proposed the "HB 17-Cancer Screening" be placed at number twenty-four on the combined list.

Rep. Ray discussed the funding for the bill and the services recommended.

The motion passed unanimously.

**MOTION:** Rep. Neuenschwander moved to place the "Adult Vision" on the list as number twenty-five.

Dr. Sundwall explained that the funding is in the base budget but intent language is needed to have this be done. There was a discussion concerning this topic. It was stated that "Adult Vision" can be withdrawn from the list with the correct intent language. Sen. Romero inquired what is needed and Sen. Christensen clarified the intent language statement and that no new money is needed for this program.

**SUBSTITUTE MOTION:** Sen. Buttars made a motion to adopt the following intent language instead of placing "Adult Vision" on the list:

It is the intent of the Legislature that the Department of Health pay for Medicaid adult vision services out of the existing Medical Assistance budget.

This substitute motion passed unanimously.

**MOTION:** Rep. Newbold proposed that "H.B. 36-Child Welfare Amendments" be place at number twenty-five.

This motion was passed unanimously.

**MOTION:** Sen. Christensen moved to place "Children Vaccine Funding" at number twenty-six.

Rep. McGee asked about the cost of the vaccine and if the health department is getting the best price for it. George Delavan confirmed that they get the vaccine at the best price.

The motion passed unanimously.

**MOTION:** Sen. Christensen moved that "Emergency Defibrillators" be placed at number 27.

**SUBSTITUTE MOTION:** Rep. Litvack moved that "H.B.122-Driver License-Application for Minor" be placed at number twenty-eight after the above motion placement.

Sen. Christensen stated his concerns that drivers' license for minors is not a crucial health issue and Reps. McGee and Litvack discussed the positive aspects of the program. Rep. Neuenschwander asked about statistics showing positive outcome from the program and it was explained that this is a new pilot program.

The substitute motion passed unanimously with Sen. Buttars absent for the vote.

**MOTION:** Sen. Romero proposed that "Sexually Transmitted Diseases" be placed before "Emergency Defibrillators".

Sen. Romero suggested that "H.B. 15-Control and Prevention of STD's"(\$350,000) and "Sexually Transmitted Diseases" (\$37,500) be combined into one item (\$387,500). Rep. Neuenschwander questioned this issue and Richard Melton explained the amounts listed. Rep. Newbold, Sens. Romero and Christensen discussed the possibility of combining these two programs and decided that they would stay two separate items and amounts.

**SUBSTITUTE MOTION:** Rep. Newbold moved that "H.B. 15-Control and Prevention of STD's"for the amount \$350,000 be placed at number twenty-nine and "Sexually Transmitted Diseases" for the amount of \$37,500 as number thirty.

The substitute motion passed with Sens. Christensen, Buttars, Reps. Newbold, Litvack, McGee, Neuenschwander, Ray and Greenwood voting aye. Sen. Romero voted in opposition.

"Autism and Infant and Toddlers Immune Disorders-H.B. 263" was discussed by Reps. McGee, Newbold and Sen. Christensen and Analyst Frandsen clarified this item that has been included in "Autism Registry".

**MOTION:** Sen. Christensen proposed that the "Autism Contract" and "Counseling Services for Veterans & Families" as numbers thirty-one and thirty-two on the list.

This passed unanimously with Sen. Buttars absent for the vote.

"DTS Rate Adjustment" and "Health Care Cost and Quality Data" were discussed and Richard Melton explained these items.

**MOTION:** Rep. McGee moved that the "IT Product Manager" be placed as number thirty-three on the list. This motion passed unanimously.

**MOTION:** Sen. Christensen proposed "DTS Rate Adjustment" be number thirty-four on the list.

The motion passed unanimously.

Sen. Christensen asked about "Prescription Abuse Management" and Richard Melton addressed his question.

**MOTION:** Sen. Christensen moved that "Prescription Drug Management" for \$100,000 be placed thirty-five on the list.

This motion passed unanimously.

**MOTION:** Sen. Christensen moved "H.B. 258-Medicaid Drug Utilization Amendments"; "H.B.38-Education and Outreach Regarding Substance Harmful During Pregnancy"; "S.B. 133-Medical Assistance and Managed Care"; "H.B. 364-Promotion of Health Care Coverage" and "Foster Care Citizens Review Board" as numbers thirty-six, thirty-seven, thirty-eight, number thirty-nine and forty on the priority list.

**SUBSTITUTE MOTION:** Rep. Ray proposed that "S.B.133-Medical Assistance and Managed Care" be taken from this list and put on the one-time funding list with the appropriation funding request of \$1,000,000 instead of the ongoing amount of \$1,152,500 leaving all others the same as mentioned in the previous motion by Sen. Christensen.

Rep. Ray withdrew his substitute motion but reminded the committee of the change in the amount requested was reduced to \$1,000,000.

Sen. Christensen's motion passed unanimously.

A revised priority list is included in the minutes packet.

#### **One-Time Items Not Funded within Subcommittee Allocation**

**MOTION:** Sen. Christensen moved that the committee alternate items from the DOH and the DHS to the bottom of the list.

Rep. Newbold suggested that the committee take two from one list and then two from the other to the bottom of the list.

**SUBSTITUTE MOTION:** Rep. Newbold made a motion that "Additional Caseworkers"; "Family Preservation Pilot"; "Office of the Medical Examiner"; and "UT-NEDSS-public health surveillance" as numbers one, two, three and four on the priority list.

Rep. Neuenschwander disagreed with that decision because of the differences in the amounts needed for the different programs.

The substitute motion passed unanimously with Sen. Buttars absent for the vote.

**MOTION:** Sen. Christensen moved that "Electronic Medical Records" be placed as number five on the list.

Rep. Litvack asked about the amount of \$100,000 for the one-time funding and this was addressed by Richard Melton.

Rep. Newbold discussed "H.B. 133-Health Care Reform(Health portion only)and its placement on the list.

**SUBSTITUTE MOTION:** Rep. Litvack moved that "Laboratory Equipment" should be the next priority.

Rep. Newbold gave three suggestions to be placed as number five on the list: "H.B. 133"; "Electronic Medical Equipment"; or "Laboratory Equipment". "Electronic Medical Records" was the choice to be number five.

This substitute motion failed with Rep. Litvack voting aye. Sens. Christensen, Buttars, Romero, Reps. Newbold, McGee, Neuenschwander, Urquhart, Ray and Greenwood voting nay.

The above original motion passed with with Sens. Christensen, Buttars, Romero, Reps. McGee, Neuenschwander, Urquhart, Ray and Greenwood voting aye. Reps. Newbold and Litvack voted nay.

Rep. McGee asked about "H.B.133" and what services the appropriation funding request will cover. Analyst Frandsen explained this question. She stated her concern about the task force funding from this committee and this was addressed. Mr. Melton explained this bill as well.

**MOTION:** Rep. Litvack moved that the \$882,000 be reduced to \$500,000 for "H.B. 133".

Rep. Neuenschwander expressed concern that the committee shows sensitivity for the dollar amounts and not just the needs of the programs.

**SUBSTITUTE MOTION:** Rep. Urquhart moved that "Community Health Centers" be number six and "H.B. 133-Health Care Reform (Health portion only)" with the reduced amount of \$500,000 be placed as number seven on the list.

Rep. Litvack asked about reducing funding for the community health centers and Rep. Urquhart discussed the question.

The substitute motion passed unanimously.

**MOTION:** Sen. Christensen moved that "Nursing Home Placement Prevention Pilot"; "DTS Rate Adjustment"; and "Laboratory Equipment" be numbers eight, nine and ten on the list in that order.

This motion passed unanimously.

**MOTION:** Sen. Romero made a motion that "Disabilities Respite Care"; "Counseling Services for Veterans & Families"; and "Children's Mental Health" be numbers eleven, twelve and thirteen on the list.

**SUBSTITUTE MOTION:** Rep. Newbold moved that "Long-term Care Ombudsman" be number fourteen on the list below the above three programs.

Rep. Litvack asked for clarification about the fiscal amounts allocated for "Counseling for Veterans & Families" and this was addressed by Analyst Headden.

This substitute motion passed unanimously.

Sen. Christensen commended the Committee for being equitable concerning the choices for the combined lists as several members of the Committee have bills that are sponsored by them.

**MOTION:** Rep. Litvack proposed that "H.B. 131-Community Based Self Sufficiency Grants" and "S.B. 188-After School Disabilities Pilot" be placed next on the list as numbers fifteen and sixteen.

**SUBSTITUTE MOTION:** Rep. Newbold moved that ""H.B.36-Child Welfare Amendments" be placed at

number fifteen followed by the two from Rep. Litvack's motion as numbers sixteen and seventeen.

This substitute motion passed unanimously.

**MOTION:** Rep. Newbold moved that "Aging Caregiver"; "Healthy Weight"; "Eye Care for Kids"; and "H.B. 38-Education and Outreach Regarding Substances Harmful during Pregnancy" be placed as numbers eighteen, nineteen, twenty and twenty-one on the list.

**SUBSTITUTE MOTION:** Rep Litvack moved that "H.B. 38" be placed above "Eye Care for Kids" in the above motion.

This substitute motion passed unanimously.

Sen. Romero asked about "S.B. 133" from ongoing to one-time funding and Rep. Ray explained that it was reduced to one million dollars.

Rep. Newbold discussed the two items on the bottom of the list of the Department of Health under "Increases/(Reductions) Funded with Subcommittee Allocation" which are (1) Medicaid Funding Adjustment for (\$2,158,900) ongoing and (2) Baby/Watch/Early Intervention-Caseload for \$1,028,300 ongoing for the total of (\$1,130,600).

Analyst Frandsen explained that there was a \$1,130,600 of unused funds at the bottom of the DOH list that could be allocated the committee's priority list.

**MOTION:** Sen. Christensen moved to use the allocation of \$1,130,600 to fund the first two items on the combined priority list which would be for "Disabilities Mandated Services" and "Child and Family Treatment Services".

This motion passed unanimously.

There was a discussion to clarify this motion.

**MOTION:** Sen. Christensen moved to accept the combined list as approved.

This motion passed unanimously with Rep. Greenwood absent for the vote.

**MOTION:** Sen. Christensen proposed a motion for DSPD Intent Language for FY 2009.

*It is the intent of the Legislature that the Division for Services for People with Disabilities (DSPD) use non- lapsing funds to provide services for individuals needing emergency services, individuals needing additional services, individuals who turn 18 years old and leave state custody from the Division of Child and Family Services and Juvenile Justice Services, and individuals court ordered into DSPD services.*

Rep. Neuenschwander asked for an explanation of the intent language and Analyst Headden addressed the question.

The motion passed unanimously with Rep. Greenwood absent for the vote.

Analyst Headden discussed the options for funding Provider Rates: (for information only)

The subcommittee may make one or more of the following recommendations to the Executive

Appropriations Committee:

1. Continue the same methodology for calculating provider rates with a 1% cost of living adjustment based on personal services of \$1,043,100 in General Fund for the Department of Human Services;
2. Provide a cost of living increase based on the providers' total budget with a 1% cost of living adjustment based on total operating expenses of \$1,396,400 in General Fund for the Department of Human Services;
3. Provide a different percentage recommendation for the personal services component and the operating expenses (non-personal services) component for a cost of living adjustment;
4. Calculate all providers at the same percentage rate for cost of living adjustments; and
5. Provide a cost of living adjustment for front line workers. To increase front line workers by \$1 for DCFS, the cost would be \$1,867,400 which represents about a 4.86 percent increase. To increase front line workers by \$1 for DSPD, the cost would be \$3,466,800 which represents an 11.02 percent increase.

**MOTION:** Rep. McGee moved that number five from the above list be adopted but needed a clarification of the term "front line workers". This was explained by Analyst Headden. Reps. Newbold and Litvack endorsed this recommendation. Sen. Christensen had concerns about the overhead costs of the provider and discussed this in detail. Numbers two and three from the list were also discussed with Lisa Michele Church explaining her concerns concerning the topic. Rep. Newbold commented on her support for number five but suggested that additional changes in wording be adopted.

**SUBSTITUTE MOTION:** Sen. Christensen moved that number five be adopted with the change of \$1 per hour increase for the front line workers and a two percent increase be allocated to the private providers for overhead costs.

This substitute motion passed unanimously with Rep. Greenwood absent for the vote.

Rep. McGee asked if the previous motion was for private providers only. Analysts Headden and Frandsen explained that the local providers were not included in this motion.

**MOTION:** Sen. Christensen moved that there be no change to this and send on to Executive Appropriations with an explanation.

This motion passed unanimously with Sen. Buttars and Rep. Greenwood absent for the vote.

**MOTION:** Sen. Christensen moved to change the existing Medical Assistance budgetary line item into 2 line items and accompanying programs as detailed below. This change will take effect for FY 2010 and the Department of Health will submit their budget under this new structure for the next General Session.

**Current Line & Program**

1,245,434,100 Medicaid Base Program  
187,313,600 Title XIX for Human Services  
163,993,400 Pharmacy Program  
6,156,800 DOH Health Clinics  
1,603,897,900 **Medical Assistance**  
—

**2 New Line Items & Programs**

784,671,800-Managed Care  
210,363,700-Inpatient Hospital  
80,698,300-Nursing Home  
54,679,000-Physician Services  
53,707,800-Outpatient Hospital  
51,160,300-Other Mandatory Services



—	1,235,280,900 <b>Mandatory Services</b>
—	122,824,500-Capitated Mental Health Serv.
—	87,309,400-Home & Community Based Waivers
—	76,439,500-Pharmacy
—	34,363,800-Institutional Care Facilities for the Mentally Retarded
—	30,178,800-Buy In/Out
—	17,501,000-Dental Services
—	1,238,500-Vision Care
—	<u>24,296,800</u> -Other Optional Services
—	368,617,000- <b>Optional Services</b>

<b>Programs &amp; Line Items</b>	<b>FY 2009 Ongoing Total Funds</b>	<b>FY 2009 One-time Time Reduction</b>	<b>Net FY \$2009</b>	<b>FY 2010 Ongoing Total Funds</b>
Managed Care	\$ 784,671,800.	\$ (784,671,800)	\$ -	\$ 784,671,800
Inpatient Hospital	\$ 210,363,700.	\$ (210,363,700)	\$ -	\$ 210,363,700
Nursing Home	\$ 80,698,300	\$ (80,698,300)	\$ -	\$ 80,698,300
Physician Services	\$ 54,679,000	\$ (54,679,000)	\$ -	\$ 54,679,000
Outpatient Hospital	\$ 53,707,800	\$ (53,707,800)	\$ -	\$ 53,707,800
Other Mandatory Services	\$ <u>51,160,300</u>	\$ <u>(51,160,300)</u>	\$ -	\$ <u>51,160,300</u>
<b>Mandatory Services</b>	\$1,235,280,900	\$(1,235,280,900)	\$ -	\$1,235,280,900
Capitated Mental Health Services	\$ 122,824,500	\$ (122,824,500)	\$ -	\$ 122,824,500
Home and Community Based Waivers	\$ 87,309,400	\$ ( 87,309,400)	\$ -	\$ 87,309,400
Pharmacy	\$ 76,439,500	\$ ( 76,439,500)	\$ -	\$ 76,439,500
Institutional Care Facilities for the Mentally Retarded	\$ 34,363,800	\$ ( 34,363,800)	\$ -	\$ 34,363,800
Buy in/Out	\$ 30,178,800	\$ ( 30,178,800)	\$ -	\$ 30,178,800
Dental Services	\$ 17,501,000	\$ ( 17,501,000)	\$ -	\$ 17,501,000
Vision Care	\$ 1,238,500	\$ ( 1,238,500)	\$ -	\$ 1,238,500
Other Optional Services	\$ <u>24,296,800</u>	\$ <u>( 24,296,800)</u>	\$ -	\$ <u>24,296,800</u>
<b>Optional Services</b>	\$ 368,617,000	\$ (368,617,000)	\$ -	\$ 368,617,000

Rep. Neuenswander asked about this motion and it was discussed. Michael Hales clarified the above items.

**MOTION:** Rep. McGee moved to accept the recommended change with a suggestion to change the wording for "optional services". She gave a suggestion to the DOH for the clarification of the phrase "optional."

Rep. Newbold stated the original recommendation in wording was "core" and "non-core".

Mr. Hales discussed the "core" and "non-core" terms and Rep. McGee recommended the word "compassionate" be substituted for "optional". Sen. Buttars, Christensen and Rep. Newbold added comments to the discussion.

The motion failed with Sens. Christensen, Buttars, Romero, Reps. Litvack, Neuenschwander and Ray voting nay. Reps. Newbold, McGee, Urquart and Greenwood voted in favor of the motion.

Sen. Christensen read the 2008 Interim Study Items for the Health and Human Services Appropriations Subcommittee-Governor's Office of Planning and Budget Review.

Utah Code Annotated 63-38-14 allows the Legislative Management Committee, upon recommendation of an appropriations subcommittee, to request an in-depth budget review of any state department, agency, institution, or program by the Governor's Office of Planning and Budget. The Analyst suggests that the Health and Human Services Appropriations Subcommittee consider the following for review:

1. Review of the purpose, funding, and expenditures of all boards in the Department of Human Services.
2. Review of the Gold Medal Schools Program in the Department of Health.

**MOTION:** Sen. Buttars moved to approve the above items.

This motion passed unanimously.

**MOTION:** Sen. Buttars made a motion to adjourn.

This motion passed unanimously.

The meeting adjourned at 4:30 pm.

---

Sen. Allen Christensen, Co-Chair

---

Rep. Merlynn T. Newbold, Co-Chair